

**Full Council**

**25 June 2026**

**Report for Agenda Item | Rīpoata moto e Rāraki take [13]**

**Department: Chief Executive**

**Title | Taitara : Chief Executive's Report**

**Purpose of the Report | Te Take mō te Pūroko**

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The purpose of this report is to report on items of general interest that do not require a full officer report and to summarise items from recent Standing Committee and Wānaka-Upper Clutha Community Board (WUCCB) meetings.

**Public Excluded | Ārai te Iwi Whānui**

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It is recommended that Attachments C and D to this report are considered while the public is excluded. This recommendation is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

Section and Grounds	Reason for this recommendation
7(2)(b)(ii) to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Attachment C to this report contains commercial leasing information relating to the lease and sub-lease of the property on the recreation reserve at Marine Parade, Queenstown known as 'The Bathhouse'. Withholding this information is necessary to protect the commercial positions of the lessee and sub lessee. Attachment D should remain public excluded to maintain legal professional privilege.  <i>Public Interest Statement</i> There has been no public interest in these commercial figures through the public notification process of the proposed lease. Additionally, Attachment D contains privileged legal information and advice for QLDC relating to this matter.

**Recommendation | Kā Tūtohuka**

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That the Council:

1. **Note** the contents of this report;

Government Head Start Process

2. **Note** the outlined background to the Head Start process and compressed timeline;
3. **Note** the proposed steps to reach a position before the application deadline of 9 August 2026;

Establishment of a Dog Control Committee

4. **Agree** to establish a Dog Control Committee, with a membership of all elected members, of which three are needed to form a hearings panel;
5. **Delegate** authority to the Dog Control Committee to hear and determine objections and appeals made under the Dog Control Act 1996;

New lease of The Bathhouse building, Marine Parade, Queenstown

6. **Agree** to grant a new lease, and exercise delegated Minister of Conservation approval, in accordance with section 54(1)(d) of the Reserves Act 1977 to Meteor Properties Limited for The Bathhouse contained within Section 6 Block LI Town of Queenstown subject to the following terms and conditions:

Commencement:	1 January 2024
Term:	10 years
Renewal:	One right of 10 years
Reviews:	Three-yearly to market; and

Review of QLDC Property and Acquisitions Policy 2014

7. **Agree** to direct staff to undertake a review of the QLDC Property and Acquisitions Policy 2014, noting plans to undertake a review as part of the preparation of the Long Term Plan 2027-37.

**Prepared by:**



**Name:** Michelle Morss  
**Title:** Interim Chief Executive  
4 June 2026

### **Government Head Start Process**

1. The Government is progressing a programme of local government reform aimed at simplifying structures and improving efficiency. Following consultation in late 2025, it has adopted a two-pathway approach, a voluntary “Head Start” pathway for early movers, and a later compulsory “backstop” process. It is currently unclear as to what the backstop process will involve.
2. The Head Start pathway enables groups of councils to develop and submit outline proposals for structural reform, including the potential creation of unitary authorities that combine regional and territorial functions. Proposals must be submitted by 9 August 2026 and will be assessed by Cabinet against criteria such as deliverability, simplified governance, economies of scale and maintenance of local representation. Further information is available in the policy document at **Attachment A**.
3. The Otago Mayoral Forum has agreed to take a collaborative regional approach to considering reform. This involves developing shared analysis and options across councils, alongside coordinated engagement with communities and mana whenua. This work is being progressed within timeframes that keep the option of participating in the Head Start pathway open, while not committing any individual council to a specific proposal. Further information is available at the Otago Mayor Forum’s website:

<https://www.otagomayors.org.nz/latest/2026/may/omf-may-2026>

4. Initial activity across Otago includes a region-wide community survey and a local-level chat forum (both hosted in QLDC’s case on the Let’s Talk website), early engagement with Kāi Tahu and neighbouring councils, and commissioning of an independent options analysis. Decisions on whether to progress a proposal, and the form of any proposal, remain matters for each council.
5. Members of the Otago Mayoral Forum are meeting regularly to discuss progress of the work outlined above. It is envisaged that the collaborative work will be finalised in late June, enabling individual councils to then conduct their own analysis and develop their own positions.
6. The timeline to reach a position about the Head Start process is challenging, but between late June and late July, the following will be scheduled:
  - A first workshop to reflect on the findings of the independent options analysis, the region-wide survey and the local-level chat forum;
  - Three Councillor-led, community meetings – one in Queenstown, one in Wānaka and one in Arrowtown to test concepts further;
  - A second workshop to reflect on the community meetings, explore options and provide guidance for the Council meeting.
  - A Council meeting to decide the position of Queenstown Lakes District Council (QLDC).

### **Formation of a QLDC Dog Control Committee**

7. The Council needs to establish a Dog Control Committee to hear and determine appeals under the Dog Control Act 1996 (the Act), as the Animal Control Team has received that an appeal that will need to be determined later in 2026.
8. There are three appeal rights to a territorial authority contained in the Dog Control Act 1996. They are the right to appeal against (a) disqualification of an owner (b) classification of a dog as a dangerous dog; and (c) classification of a dog as a menacing dog. Relevant sections of the Act are detailed in **Attachment B**.
9. In the past, the full Council has been appointed to the Dog Control Committee, with three members needed to form a hearing panel. It is recommended that this approach remain the same. As occurs with all other ad hoc hearings, the Democracy Services Advisor will call the meeting to order and invite the elected members present to elect a Chair for the hearing.
10. The Democracy Services Team has developed a Hearing Panel Selection Process and regard will be given to that when approaching elected members about acting as a member of the Dog Control Committee. Any personal connection to the appellant will also be a key determining factor as well as availability if the appellant has requested a particular date or specific timeframe.

### **Recommendations from Standing Committees**

#### **Recommendation from Community & Environment Committee Meeting held on 28 May 2026**

##### **New lease of The Bathhouse building within Marine Parade Park to Meteor Properties Limited**

11. Since 1997, a café has operated from The Coronation Bathhouse located on the foreshore reserve. In 2022, upon request from the current lessee, QLDC staff negotiated and agreed terms for a new 10-year head lease, with a 10-year right of renewal. QLDC staff gave verbal and written representations to the sub-lessee that it was agreeable to them investing in the premises with regards to their fit out and similarly to the lessee carrying out various works to the premises.
12. In deciding whether to grant this lease, the Committee considered the Reserves Act 1977 s54(1)(d), which allows QLDC as administering body of the reserve to: *“grant leases or licences for the carrying on of any trade, business, or occupation on any specified site within the reserve, subject to the provisions set out in Schedule 1 relating to leases or licences of recreation reserves issued pursuant to this paragraph: provided that the trade, business, or occupation must be necessary to enable the public to obtain the benefit and enjoyment of the reserve or for the convenience of persons using the reserve”*
13. Leasing and charging for QLDC property is covered by the Community Facility Funding Policy 2019 (CFFP). One of the principles of the CFFP states that “individuals and groups should not profit from the on sale or sub-letting of rights provided by the Council”. Subsequent to the initial negotiations, the QLDC property team attempted to better align the terms of the proposed head lease with current QLDC policies. This included reducing the initially indicated 10-year term (plus 10-year renewal) and attempting to raise the rental amount.

14. The Committee has recommended the granting of the lease on standard terms but expressly acknowledges that the terms do not fully align with the governing principles of the CFFP outlined above. Section 80 of the Local Government Act 2002 requires that where a decision of a local authority is inconsistent with any policy adopted by that local authority, the decision must identify the inconsistency, the reasons for that inconsistency, and whether it is intended to amend the policy to accommodate the decision. There is no intention to amend the policy to accommodate this decision. The potential of damages being sought from Council if the lease was not granted in alignment with the previous representations, has culminated in the recommendation of granting the lease on the further negotiated terms, despite the inconsistency with the CFFP.
15. Public Excluded **Attachment C** contains the proposed lease. **Attachment D** is legal advice detailing the position if the Council elects to grant the new lease under the Reserves Act 1977 s54(1), despite its inconsistency with the CFFP.

### **Recommendation from Smart Finance Committee Meeting held on 18 June 2026**

#### Review of Property & Acquisitions Policy 2014

16. At its meeting held on 18 June 2026, the Smart Finance Committee considered a report that gave an overview of the Council's investment portfolio, consisting of (a) investment properties; (b) campgrounds and (c) heritage assets (including buildings and land).
17. The report referenced the Property Sale and Acquisition Policy 2014. Committee members noted that the policy was now twelve years old and there was discussion about when it would next be subject to review. As a consequence, the Committee resolved to recommend to Council that a review be undertaken, with the resolution as follows:

**It was moved (Councillor Gladding, Councillor Wong):**

**That the Smart Finance Committee resolve to:**

1. **Note** the contents of this report; and
2. **Recommend** that full Council direct staff to review the Property Sale and Acquisition Policy 2014.

**Motion carried unanimously.**

18. Following the meeting, the General Manager, Assurance, Finance & Risk advised that a review of the Property Sale and Acquisition Policy had commenced alongside the 2019 Community facility funding policy and the community funding policy. The end result intended was one policy covering all three of these areas, due to the overlapping nature of the principles and objectives involved.
19. The policy team was directed to lead the review of the 2019 Community facility funding policy alongside the 2027-37 Long Term Plan (LTP) process and this was explained to Council in a workshop held in April 2026.

20. There will be a presentation of the key moving parts of the new policy for Council feedback alongside officers in September 2026, with a view to a draft policy being approved in principle by Council by the end of the year to be included with the LTP consultation. This means that the new policy should become operational in July 2027, after the LTP is adopted.

### **Meetings of the Previous Round**

#### Wānaka-Upper Clutha Community Board Meeting held on 12 May 2026

##### Information:

1. Recommendation for Annual Plan 2026/27 Deliberations
2. Parking Restrictions for Minor Improvements Programme
3. Chair's Report

#### Smart Growth Committee Meeting held on 21 May 2026

##### Information

1. Update on Progress on the Proposed District Plan and Other Key Projects
2. Update of Proposed District Plan Appeals
3. Request for Delegation – Informal Airports – Wakatipu Basin
4. Update on Active Resource Consent Appeals

Items 2-4 were considered with the public excluded.

#### Community & Environment Committee Meeting held on 28 May 2026

##### Information

1. New Class 4 Gambling Application for The Crown Pub and Beer Garden – Seeking Territorial Authority Consent
2. (Commemorative Tree) Memorial Plaque Request in Gibbston Community Reserve for Gibbston Community Association Celebrating 40 Years of Pinot Noir Wine Making

##### Recommendation

3. New lease of The Bathhouse building within Marine Parade Park to Meteor Properties Limited (see paragraphs 11-14 above)

#### Smart Finance Committee Meeting held on 18 June 2026

##### Information

1. 2026 Year to Date Financial Overview of Opex and Capex
2. Treasury Update
4. Water Services Council Controlled Organisation – Report requirement to Department of Internal Affairs
5. Debtors Update
6. Individual Debtors' Update
7. Forward Facing Annual Procurement Plan

##### Recommendation:

3. Reserves and Investment Update (see paragraphs 15-19 above)

Items 6 and 7 were considered with the public excluded.

**Attachments | Kā Tāpirihaka**

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A	Head Start Policy Document
B	Extracts from the Dog Control Act 1996: Rights of Appeal
C	Public Excluded: Deed of Lease between QLDC and Meteor Properties Limited
D	Public Excluded: Legal Memo outlining commercial terms re Meteor Properties Limited

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